



Consumer Electronics Association

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January 2, 2003

**FILED ELECTRONICALLY**

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

**RE: Written Ex Parte Presentation: PP Docket No. 00-67: Compatibility Between Cable Systems and Consumer Electronics Equipment**

Dear Secretary Dortch:

The Consumer Electronics Association (“CEA”) hereby respectfully submits this letter in lieu of its semi-annual report on industry progress in implementing the agreements of February 22, 2000 made between CEA and the National Cable Television Association (“NCTA”) regarding compatibility between cable systems and consumer electronics (“CE”) equipment.<sup>1</sup>

As the Commission is aware, on December 19, 2002, the major cable multiple system operators (“MSOs”) and the leading CE manufacturers reached an agreement that will: ensure that the next generation of digital television (“DTV”) sets will receive one-way cable services without the need for set-top converter boxes; enable consumers to receive high-definition (“HDTV”) signals with full image quality and to easily record digital content; allow for an array of new devices to be easily connected to new HDTV sets; permit access to cable's two-way services through digital connectors on HDTV sets; encourage manufacturers to speed the production of new sets and services for delivery to the market; and ensure that digital cable services will remain easy to access and use by consumers.

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<sup>1</sup>See *Compatibility Between Cable Systems and Consumer Electronics Equipment*, Report and Order, PP Docket No. 00-67, 15 FCC Rcd 17568, 17580-82 (2000); see also *Erratum* in PP Docket 00-67 (OET rel. Oct. 25, 2000) (setting forth reporting requirements).

The parties have briefed Commission representatives individually and jointly regarding compatibility issues since the last semi-annual report. The parties also filed with the Commission, on December 19, 2002, a Memorandum of Understanding ("MOU") containing the full and specific terms of the agreement discussed above.<sup>2</sup> The MOU includes: a set of technical standards for cable systems and "cable-ready" DTV products (and testing procedures to ensure compatibility); a proposed regulatory framework for support of DTV receivers, digital recorders with secure interfaces, and other devices on cable systems; a draft security technology license to ensure that high-value content can be transferred securely in the home network by consumers; and "encoding rules" to resolve pending copyright-based concerns about home recording and viewing.

In addition to proposing regulations to ensure consumer access to plug-and-play DTV over cable, the parties agreed to begin working together immediately on technical specifications and standards for future interactive digital cable television products. To sustain the momentum of industry cooperation toward the expeditious transition to DTV, CEA urges the Commission to expeditiously adopt the jointly recommended regulations for a national plug-and-play digital cable television standard as contained in the industry agreement.

With the December 19, 2002 agreement, the CE industry has satisfied the CE-cable compatibility obligations contained in the February 2000 CEA-NCTA agreements for basic cable compatibility. CEA remains strongly committed to working with the cable industry and the Commission to facilitate CE-cable compatibility as a means to promote the DTV transition.

Respectfully submitted,

/s/ Michael Petricone

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<sup>2</sup>See *Ex Parte* Filing of Charter Communications, Inc. *et al.*, *Compatibility Between Cable Systems and Consumer Electronics Equipment*, PP Docket No. 00-67 (filed Dec. 19, 2002).

Ms. Marlene Dortch

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Page 3 of 3

cc: Chairman Michael K. Powell  
Commissioner Kathleen Q. Abernathy  
Commissioner Michael J. Copps  
Commissioner Kevin J. Martin  
Commissioner Jonathan S. Adelstein  
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